

REGULAR CITY COUNCIL MEETING
AUGUST 12, 1991

PRESENT

Don Dafoe	Mayor
Gayle Bunker	Council Member
Robert Dekker	Council Member
Robert Droubay	Council Member
Rex Harris	Council Member

ABSENT

Wesley Bloomfield	Council Member
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OTHERS PRESENT

Dorothy Jeffery	City Recorder
Richard Waddingham	City Attorney
Thomas Chandler	City Resident
Kate Hellenbrand	Chronicle/Progress
Garrett Whatcott	Boy Scout
Deborah Greathouse	Librarian

Mayor Dafoe called the meeting to order at 7:00 p.m. Dorothy Jeffery, City Recorder, acted as secretary. Mayor Dafoe stated that notice of the meeting time, place and agenda was posted at the principal office of the governing body located at 76 North 200 West and was provided to the Millard County Chronicle/Progress, the local radio station, KNAK, and to each member of the City Council by personal delivery two days prior to the meeting.

Council Member Robert Dekker offered an invocation, after which Mayor Dafoe led the Council in the Pledge of Allegiance.

MINUTES

The proposed minutes of a Regular City Council Meeting held July 8, 1991, were presented for consideration and approval. The Council reviewed the minutes briefly, after which Council Member Robert Droubay MOVED that the minutes be approved as presented. The motion was SECONDED by Council Member Gayle Bunker. Mayor Dafoe asked if there were any comments or questions regarding the motion. There being none, he called for a vote. The motion passed unanimously.

The proposed minutes of a Regular City Council Meeting held July 22, 1991, were presented for consideration and approval. The Council reviewed the minutes briefly, after which Council Member

Robert Droubay MOVED that the minutes be approved as presented. The motion was SECONDED by Council Member Gayle Bunker. Mayor Dafoe asked if there were any comments or questions regarding the motion. There being none, he called for a vote. The motion passed unanimously.

ACCOUNTS PAYABLE

The Council reviewed the accounts payable, a list of which had been given to them two days prior to the meeting. Following a brief discussion of the accounts payable, Council Member Gayle Bunker MOVED that the accounts payable be approved for payment as listed in the amount of \$37,525.83. The motion was SECONDED by Council Member Robert Dekker. Mayor Dafoe asked if there were any comments or questions regarding the motion. There being none, he called for a vote. The motion passed unanimously.

NEW BUSINESS

ATTORNEY RICHARD WADDINGHAM: AMENDMENT TO ORDINANCE NO. 81-19 REGARDING ELECTIONS

Mayor Dafoe asked Attorney Richard Waddingham to present a proposed ordinance regarding Delta City's Municipal Primary Elections.

Attorney Waddingham presented a proposed ordinance repealing Ordinance No. 81-19 and any prior ordinances that eliminate primary elections in Delta City municipal elections. The ordinance is entitled as follows:

ORDINANCE NO. 91-139

AN ORDINANCE REPEALING ORDINANCE NO 81-19, HERETOFORE ELIMINATING DELTA CITY'S MUNICIPAL PRIMARY ELECTIONS.

Following discussion, Council Member Robert Droubay MOVED to adopt Ordinance No. 91-139 as presented. The motion was SECONDED by Council Member Gayle Bunker. Mayor Dafoe asked if there were any comments or questions regarding the motion. There being none, he called for a roll call vote. The voting was as follows:

Council Member Wesley Bloomfield	Absent
Council Member Gayle Bunker	Yes
Council Member Robert Dekker	Yes
Council Member Robert Droubay	Yes
Council Member Rex Harris	Yes

Mayor Dafoe then signed the ordinance and it was attested by City Recorder Dorothy Jeffery.

THOMAS CHANDLER: HOUSE BILL NO. 165

Mayor Dafoe asked Thomas Chandler to address the City Council for discussion of House Bill No. 165.

Thomas Chandler requested that the Delta City Council write a second letter to members of the House Interim Health and Environment Committee in support of House Bill 165 sponsored by Representative Moody.

Mr. Chandler discussed the following reasons for repealing the repeal date in H.B. 165:

1. To prevent burning hazardous waste at undesirable locations.
2. To avoid undue encouragement of out-of-state imports.
3. To ensure equal protection of public health.
4. To provide proper regulation of cement kilns.

Following discussion, Council Member Robert Droubay MOVED that Mayor Dafoe write a letter to each member of the House Interim Health and Environment Committee in support of repealing the repeal date in H.B. 165. The motion was SECONDED by Council Member Gayle Bunker. Mayor Dafoe asked if there were any comments or questions regarding the motion. There being none, he called for a vote. The motion passed unanimously.

Mr. Chandler invited and encouraged Mayor Dafoe and the City Council Members to attend a meeting at the State Capitol Building to discuss this issue Wednesday, August 21, 1991.

MAYOR DON DAFOE: HORIZONTAL REVENUE SHARING COMMISSION PROPOSAL

Mayor Dafoe explained that the ten Mayors within Millard County met as a Council of Mayors and presented the following proposal for Revenue Sharing to the Millard County Commissioners:



DELTA CITY
 76 North 200 West
 Delta, Utah 84624
 Telephone 864-2759

July 3, 1991

Frank Baker
 Millard County Commissioner
 1209 East 2000 South
 Delta, UT 84624

JerE Brinkerhoff
 Millard County Commissioner
 411 South 200 West
 Fillmore, UT 84631

Lana Moon
 Millard County Commissioner
 560 East 4500 South
 Delta, UT 84624

RE: Municipal Council Sharing
 Request

Dear Commissioners:

As you know, the mayors of Millard County have organized the Millard County Municipal Council. We have reserved time on the agenda for the special Millard County Commission meeting scheduled for July 10, 1991 to discuss revenue sharing between Millard County and the ten (10) cities and towns. Since you have expressed interest in the needs of cities and towns, I am writing to let you know the background of our proposal so you can prepare for the meeting. We request that the County Auditor, County Administrator and other County officials that you wish to have involved in the discussion be given a copy of this letter so that they can also adequately prepare. I mention the County Auditor and County Administrator because they both have expressed opinions on revenue sharing on past occasions. We hope to have all ten (10) mayors present at the meeting.

Since you are deeply involved in local government, you know the heavy load forced on our communities by state and federal requirements in recent years, but with no money from state or federal sources to solve these problems. For instance, each community must install backflow preventers on each connection in the community water system, have certified operators for all community water systems and use expensive tests and equipment that were unheard of a few years ago. The cost of implementing these

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 Commissioner JerE Brinkerhoff
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changes is more than the entire annual budget for some of the town water systems.

There is a more important concern. We all work for economic development within Millard County. We are told that we must enhance the appearance of our communities to enhance economic development opportunities. In Delta, we tried one relatively small project to install planters and trash receptacles along a three-block portion of Main Street. This project was initiated by the Delta City Youth Council, but had to be abandoned because the cost just for the materials was \$12,000.00. Our budgets are so tight that we have no way to obtain such money. We are proposing revenue sharing for our communities to use in capital projects.

According to the 1990 census, 69.72% of all county residents live in the incorporated cities and towns. In addition to these, many county residents live in the unincorporated areas, but own businesses in the cities on which they pay taxes. Since very few state-assessed properties are located in the cities, the only way the cities raise money is through direct taxation of local residents and business owners. The County, on the other hand, raises most of its taxes from state-assessed properties. Where the property tax revenues of the towns are raised almost 100% from local business and property owners, taxes raised by the County are raised 92% from centrally-assessed taxpayers and only 8% from local residents. We are proposing revenue sharing so that city residents and business owners can have the benefit of the huge County industrial tax base. Our proposal is simple and small, in relative terms.

The following chart shows the basics of our request. We request that one tax point (.0001) be imposed by Millard County as a local revenue sharing tax levy. This would raise approximately \$258,963.23 in 1991. We propose that this amount then be distributed by population, based on the 1990 census, between the ten (10) cities and towns. The following chart shows a breakdown of these figures:

	Population	Distribution of Proposed Amount by Population	Amount of Tax Increase on \$50,000 Home or Business To Raise Same Revenue Without Revenue Sharing
Delta	2998	\$ 98,262.47	\$. 93.96
Fillmore	1956	64,109.87	108.44

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Hinckley	658	21,566.61	159.91
Holden	402	13,175.95	135.51
Kanosh	386	12,651.54	131.56
Leamington	253	8,292.33	129.30
Lynndyl	120	3,933.12	47.24
Meadow	250	8,194.00	123.71
Oak City	587	19,239.52	147.70
Scipio	291	9,537.82	124.40

The last column of the chart tells the story best. The tax increase we are proposing would cost the owner of a \$50,000.00 home or business \$5.00 per year with revenue sharing. The last column shows the additional taxes that the owner of a \$50,000.00 home or business property would have to pay for the city or town shown to raise the same amount of money from city property tax as would be raised by this revenue sharing proposal. We would like to see this implemented in time for the cities and towns to receive distribution of money during the present 1991-92 fiscal year that began July 1, 1991.

The picture is even better for the property tax owner when you consider the reduction in the tax rate for the West Millard Recreation District, the Millard County Fire District and any other special service district tax reductions being considered by the Commission.

We hope the timing for our request is good for Millard County. With the increase in tax base from construction of the Kern River gas pipeline and revenues from settlement of the IPP tax disputes, we hope Millard County would not be hurt by our request.

The cities and towns make good use of our tax dollars. Much of our work is done on a volunteer basis. Since our budgets are small, we have to be very careful with every dollar we receive. We propose to use money from this revenue sharing proposal for capital projects only. This should help improve the appearance of our communities, which will help economic development. We also think this proposal will improve cooperation between the communities in seeking economic development projects. With revenue sharing, each community benefits from increase in the Millard County tax base. This means each community helps itself by helping the other communities in economic development.

We remember the discussion of revenue sharing during last year's election campaign. We appreciate the support that Commissioners Baker and Moon gave to that idea. As mayors, we agree with the concerns expressed during the campaign. We feel we should now

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take responsibility to explain this concept to the public. We request that each of the Commissioners, as well as the County Auditor and County Administrator, provide written statements of your positions on revenue sharing so that we can use these to explain the concept to the public. There is too much chance for confusion if information is simply given by word of mouth.

We are aware that some taxpayers could experience a slight tax increase under our proposal, but the great majority will see overwhelming benefit. We hope that the Farmland Assessment Act, sales tax and other appropriate tax benefits for farmers and Board of Equalization hearings will protect farmers and other taxpayers affected by our proposals. We understand that there may be political questions from our proposal, but we are ready to stand the full responsibility for our requests.

We feel very strongly that all citizens of Millard County should enjoy the advantages of our County's strong tax base instead of letting age old boundaries decide who should benefit and who should be left out. As mayors, we are willing to shoulder the political responsibilities for our request.

We look forward to meeting with you on July 10. I hope this letter has been helpful in explaining our position. If you have any questions, please call me or leave a message at the Delta City offices.

Sincerely yours,



Don Dafoe
Delta City Mayor

DD/lh

Mayor Dafoe presented and reviewed the following counter proposal for Horizontal Revenue Sharing from the Millard County Commissioners:

- "1. Item to be placed on ballot in November, 1991 General Election. IF APPROVED.
2. County to levy a tax of 1 mill of .0002 or less, against general property for the purpose of sharing revenue with the 10 incorporated cities and towns in Millard County.
3. The tax cannot be raised above the .0002 ceiling without a majority vote of the general electorate of the County.
4. The shared revenue can only be used for capital projects and/or capital equipment.
5. All participating cities and towns must deliver a list with valid dollar estimates of proposed capital expenditures adopted in a public meeting, to the County Commission at least thirty (30) days prior to adoption of the County's tentative budget the first of November. The lists will become part of the County's adopted budget record.
6. The permission or authority to levy the tax will automatically sunset after 10 years. It may be reinstated by approval in a subsequent general election.
7. The shared revenue must be incorporated into the cities or towns budget and independent audit and separately identified for purposes of review by the Millard County Auditor. The County Auditor may also choose to review expenditure detail to verify compliance with budget intent. Unauthorized variations may prevent a community from future participation.
8. The County Commission may choose to discontinue Horizontal Revenue Sharing when it is in the best interest of the County to do so. Some of these reasons may include: exceeding the maximum tax levy allowed by law, major declines in assessed value, changes in tax structure, mandated State and Federal programs, or unforeseen catastrophic events.
9. If the proposal is adopted by the majority of the electorate, Interlocal Contracts will have to be adopted between Millard County and the cities and towns to set forth the agreed upon terms. (The cities and towns will be subject to all state and Federal Laws in regards to proper financial procedures.)
10. Protested portions of shared revenue will be retained by the County Treasurer until resolution of the protest.
11. This list may not be all inclusive. Because of the shortness of time, both the County and communities may have overlooked important items which must be included in the Interlocal

Contracts to stay in compliance with existing state law.

12. The County Commission needs to know, in resolution format, the intent of the cities and towns regarding the above items no later than August 31, 1991.

PROPOSED CALENDAR OF EVENTS

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|--------------------|--|
| August 31, 1991 | Communities to notify Commission of intent in writing. Adopt Resolution. |
| September 10, 1991 | County Auditor to communicate in writing the approximate amount that each community could anticipate in shared revenue at the .0002 rate. |
| September 30, 1991 | Communities to submit verified lists of capital projects or capital equipment to county commission for inclusion in county budget. |
| November 5, 1991 | General Election held. If vote passes, the County will adopt a budget to include Horizontal Revenue Sharing. If vote fails, the process stops and the County does not include Horizontal Revenue Sharing in County Budget. |
| December 10, 1991 | Adoption of County Budget. Truth in Taxation Hearing. County raises taxes sufficient to cover communities requests up to .0002. |
| July 1, 1992 | County disperses funds to Communities for 1992-1993 fiscal year budget." |

Mayor Dafoe recommended that prior to the general election, a letter be sent to every resident in every city in Millard County explaining the Revenue Sharing plan and its benefits.

Following discussion, Council Member Gayle Bunker MOVED to instruct Attorney Richard Waddingham to prepare a resolution stating Delta City's intent to participate in the Horizontal Revenue Sharing Proposal from the Millard County Commission. The motion was SECONDED by Council Member Robert Droubay. Mayor Dafoe asked if there were any comments or questions regarding the motion. There being none, he called for a vote. The motion passed unanimously.

COUNCIL MEMBER ROBERT DROUBAY: APPOINTMENT OF LIBRARY BOARD MEMBER

Mayor Dafoe asked Council Member Robert Droubay to discuss the appointment of Library Board Members.

Council Member Robert Droubay explained that Norma Pearson and Gerry Ogden's terms as Library Board Members have expired. He recommended that Gerry Ogden be reappointed for another three year

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term and that Thorpe Waddingham be appointed to replace Norma Pearson. These terms will expire in June 1994.

Council Member Robert Droubay then MOVED to appoint Gerry Ogden and Thorpe Waddingham as members of the Delta City Library Board. The motion was SECONDED by Council Member Gayle Bunker. Mayor Dafoe asked if there were any comments or questions regarding the motion. There being none, he called for a vote. The motion passed unanimously.

ATTORNEY RICHARD WADDINGHAM: DELTA CITY OFFICE BUILDING JANITORIAL CONTRACT

Mayor Dafoe asked Attorney Richard Waddingham to present a Janitorial Contract for the Delta City Office Building.

Attorney Waddingham presented and reviewed in detail a draft Janitorial Contract for the Delta City Office Building.

Discussion was held regarding a month to month contract versus a yearly contract. The Council was in favor of a month to month contract.

Following discussion, Council Member Gayle Bunker MOVED to table this item until the next Regular City Council Meeting for the final draft. The motion was SECONDED by Council Member Robert Droubay. Mayor Dafoe asked if there were any comments or questions regarding the motion. There being none, he called for a vote. the motion passed unanimously.

B J Enterprises (Beverly Galli) will have the opportunity also to review the contract prior to the next Regular City Council Meeting.

MAYOR DON DAFOE: REDEVELOPMENT AGENCY FOR DELTA CITY

Mayor Dafoe said that several weeks ago the Council agreed to contact an attorney for the purpose of establishing a Redevelopment Agency for a Downtown Beautification Project. Attorney Waddingham contacted Attorney Blaine Carlton; however, Mr. Carlton recommended that he contact Attorney Oswald who has been recently involved in other Redevelopment Agencies.

Attorney Waddingham recommended that the City Council make specific plans for their downtown redevelopment.

Mayor Dafoe said that Vern Fisher, Sunrise Engineering, was involved in Mt. Pleasant City's Redevelopment Agency and is willing to help Delta City plan theirs. He also said that Sunrise Engineering would like to do the engineering of the project also. Following discussion Council Member Robert Droubay MOVED to proceed with the establishment of a Redevelopment Agency for a Downtown Beautification Project. The motion was SECONDED by Council Member

Gayle Bunker. Mayor Dafoe asked if there were any comments or questions regarding the motion. There being none, he called for a vote. The motion passed unanimously.

OTHER BUSINESS

Council Member Robert Droubay said that Library Board has discussed, in order to generate money for the Library, the possibility of keeping book fines and fees within the Library Department.


City Recorder Dorothy Jeffery informed Mr. Droubay that according to the State Money Management Act, all revenues generated by all City departments have to be budgeted in the General Fund.


Discussion was then held regarding private donations to the Library. These donations can be kept and used by the Library. The Council Members were in agreement to the Library Board soliciting cash donations for the Library.

Brief discussion was then held regarding Library Grant monies.

Discussion was held regarding the disposition of surplus Delta City Police Department property. Attorney Waddingham will research and inform Mayor Dafoe of any State requirements before any action is taken.

Mayor Dafoe asked if there were any comments, questions or items to be discussed. There being none, Council Member Robert Dekker MOVED to adjourn. The motion was SECONDED by Council Member Rex Harris. Mayor Dafoe asked if there were any comments or questions regarding the motion. There being none, he called for a vote. The motion passed unanimously. Mayor Dafoe declared the meeting adjourned at 8:30 p.m.


DON DAFOE, Mayor


DOROTHY JEFFERY
Delta City Recorder

MINUTES APPROVED: RCCM 9-23-91